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DATE:

May 13, 2013

BULLETIN:

Dealers

FROM:

Brenda Scheydt, Manager

Business Licensing & Consumer Services

RE:

Legislation 2013

The following are the highlights of the bills that have passed and have a direct impact on dealers:

HB 1515 Transportation Infrastructure Investment Act of 2013

This bill increases the vehicle registration surcharge from \$13.50 to \$17.00 per registration year. The distribution of the surcharge collected goes to the Maryland Emergency Medical Systems Operations Fund of Maryland Vehicle Law. This bill is effective June 1, 2013.

HB 836/SB 600 Electric Vehicles

This bill extends the use of the HOV permits for plug-in electric vehicles until September 30, 2017. Customers who currently have an HOV permit on their vehicles have been sent a new permit. The original issuance will continue to be through Maryland dealers who sell plug-in electric vehicles or through Vehicle Services room 104. This bill also alters the definition of a plug in electric vehicle and allows the MVA to issue an HOV Permit to a vehicle modified from its original manufacturer's specifications and is now converted to a plug-in electric vehicle. Customers indicating their vehicle has been modified to become a plug in electric vehicle, must have their vehicle examined by the Maryland State Police, prior to the issuance of an HOV permit. This bill goes into effect on June 1, 2013.

HB 420 Maryland Transportation Authority - Payment of Tolls

This bill requires the MVA to refuse to renew or transfer the registration or to suspend the registration of any motor vehicle incurring toll violations upon notification by the Maryland Transportation Authority (MdTA). The definition of chronic offender related to tolls violations has been changed. The usual flag release procedures apply to any MdTA flag and an administrative flag fee is due once the administration flags the record. This bill goes into effect on July 1, 2013.

HB 725/SB 25 Vehicle Laws – Title and Registration – Transfer to Surviving Spouse
This bill prohibits the Administration from charging a title fee for a vehicle transfer that is jointly owned by spouses in Maryland when one spouse is deceased and the ownership is transferring

to the surviving spouse. This bill is effective July 1, 2013.

HB 523 / SB 486 Short-Term Rental of Motorcycles – Sales and Use Tax and Motor Vehicle Law This bill expands the type of vehicles included in the definition of "rental vehicle," (Class DRL) for purposes of calculating sales and use tax, to include motorcycles, thereby exempting rental motorcycles from the excise tax. It does not, however, alter the registration fees for rental motorcycles. This bill is effective July 1, 2013.

HB 791/SB 728 Tax Credits - Electric Vehicles - Extensions

This bill extends the excise tax credit that is given for plug-in electric vehicles titled in this State for fiscal year 2014. The amount of credit that may be given is in a three (3) level structure related to the battery capacity as follows:

- Level 1 (\$600 credit) The battery capacity is not less than 4.0 kilowatt-hours but not more than 10.0 kilowatt-hours.
- Level 2 (\$700 credit) The battery capacity is between 10.1 but not more than 15.0 kilowatt-hours.
- Level 3 (\$1,000 credit) The battery capacity is over 15.0 kilowatt-hours.

The credit will no longer be available through TARIS or ERT systems. Instead, the full amount of tax will be collected when the vehicle is titled. If the vehicle qualifies the owner/co-owner must apply for the tax credit by completing the Excise Tax Credit For Plug-In Electric Vehicles, Form VR-334. The form must be completed and signed by the applicant/co-applicant and the dealer and mailed or forwarded to: The MVA, Excise Tax Refund Unit – 6601 Ritchie Highway, Room 202, Glen Burnie, MD 21062. For fiscal year 2014, the fund is limited to \$1,287,000 that may be used for plug-in electric vehicles. This bill goes into the effect on July 1, 2013.

HB 374 / SB 212 Vehicle Laws — Registration Plates for Motorcycles — Individuals with Disabilities This bill permits an individual with a disability to obtain two special disability Class D motorcycle registrations in addition to any other special disability registration or placards otherwise authorized. This bill goes into effect on October 1, 2013.

HB 977 / SB 39 Motor Vehicle Registration – Special Vintage Reproduction Registration Plate
This bill requires the Administration to offer specially designed vintage reproduction registration
plates to owners of passenger vehicles, certain light duty trucks, historic, multipurpose, and
street rod vehicles for an additional fee over the applicable registration fee. The special
registration plates are black letters on a yellow background that resembles the plates that were
issued by the MVA in 1910. The plates will be available for sale until December 31, 2014. This
bill is effective January 1, 2014.

SB 75 Motor Vehicle Administration – Investigative Division – Issuance of Citations
This bill expands the existing criminal citation authority of employees of the Investigative
Division of the MVA. The new authority lies primarily in the area of business licensing, but also
includes violations relating to titling and registration, unlawful duplication or reproduction of
driver's licenses and identification cards, and odometer tampering. This bill is effective October
1, 2013.

In addition, during the 2013 legislative session, there was legislation enacted to make cell phone use a primary offense, to provide a means by which persons who are unable to demonstrate lawful presence within the United States can obtain an identification card or driver's license, and to require seat belt use in all seating positions. More information about the bills and other legislation effecting MVA customers can be found soon on our website at www.mva.maryland.gov.

If you have any questions or need additional information, please email us at mvablcsd@mva.maryland.gov